

MEDICAL MARIJUANA TASK FORCE

Alex Kreit, Chair

Stephen Whitburn, Vice Chair

MINUTES FOR

FRIDAY, MARCH 5, 2010, AT 9:00 A.M.

COUNCIL CHAMBERS (12TH FLOOR),

CITY ADMINISTRATION BUILDING

202 C STREET, SAN DIEGO, CALIFORNIA

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Meeting called to order by Chair Alex Kreit at 9:10 A.M. with seven members present. Mark-Robert Bluemel arrived at 9:35 A.M., Pastor Wayne Riggs, Dave Martin and John Minto were absent.

NON-AGENDA PUBLIC COMMENT:

Neal Plastik turned in a speaker slip

TASK FORCE COMMENT:

Chair Alex Kreit gave a brief overview of the community planning groups he has attended. Kim Twolan requested a list of outstanding meeting that have not yet heard the Medical Marijuana Task Force's recommendations.

CITY ATTORNEY AND IBA STAFF COMMENT:

None

APPROVAL OF THE MINUTES:

Stephen Whitburn moved to accept the minutes with two corrections, second by Dave Potter.

Vote: 6-0-1 (Craig Balben abstaining)

ITEM 1 – Proposed requirements to document non-profit/not-for-profit operation pursuant to the State Attorney General Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use, August 2008 (continued from last meeting)

- Motion by Larry Sweet, second by Mark-Robert Bluemel, that the Task Force recommends the following regulations:
 - No collective shall operate for profit. Cash and in-kind contributions, reimbursements, and reasonable compensation provided by members towards the collective's actual expenses for growth, cultivation, and provision of medical marijuana shall be allowed in accordance with State Law. All such cash and in-kind amounts and items shall be fully documented.
 - "Reasonable compensation" shall mean compensation for directors, managers and/or other employees commensurate with reasonable wages and benefits paid to employees of IRS-qualified non-profit organizations who have similar job

descriptions and duties. The payment of a bonus shall not be considered “reasonable compensation.”

- Vote: 7-0
- Motion by Dave Potter (incorporating suggestions from Stephen Whitburn), second by Craig Balben, that the Task Force recommends each collective shall be given the opportunity to provide evidence of its operation in a non-profit manner during the previous year. Upon request by the City, each collective shall file with the City Controller an audit of its operations of the previous calendar year, completed and certified by an independent certified public accountant in accordance with generally accepted auditing and accounting principles.
- Vote: 6-2-0 (yea – Dave Potter, Alex Kreit, Stephen Whitburn, Craig Balben, Dr. Tom Cummings, Mark-Robert Bluemel; nay – Larry Sweet and Kim Twolan)

ITEM 2 – Implementation of a fee system

- Motion by Stephen Whitburn, second by Dave Potter to recommend the Task Force support the City of San Diego’s process for cost-recovery fees
- Vote: 7-1-0 (yea – Dave Potter, Alex Kreit, Stephen Whitburn, Craig Balben, Dr. Tom Cummings, Mark-Robert Bluemel, Larry Sweet; nay – Kim Twolan)

ITEM 3 – Ad-hoc committee’s report and recommendations regarding the City’s current municipal code in regards to the San Diego Police Department’s current guidelines and the possession guidelines from the previous Task Force’s ordinance

Discussion heard; item continued to March 12 meeting

ITEM 4 – Proposed requirements to document closed system operations pursuant to the State Attorney General Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use, August 2008

- Motion by Larry Sweet, second by Dave Potter that the Task Force recommends that the applicant shall document closed system operations pursuant to the Attorney General’s guidelines. As such, it is expected that all Collective Members are potentially Growers and can grow for themselves as they are able or as they choose. Collective Members are expected to bring the excess medical marijuana from their own personal grows to the Collective where they may be compensated by cash or trade in kind. Certain Collective Members choose that their sole support to the cooperative effort will be to contribute their time and expertise in growing medical marijuana for the Collective. Growers are compensated for their time and expenses in growing for the collective when the harvest is brought to the Dispensary. Other members may participate in the cooperative cultivation of the medical marijuana, however the Growers are responsible and compensated by the Collective accordingly. The Dispensary then packages and determines a fair cash transaction amount to be paid by other Members of the Collective as their contribution to the cultivation of the medicine. Members may offer labor at any point in the cultivation cycle as their skills and choices allow and as opportunity permits.
- Vote: 7-0-1 (Kim Twolan abstaining)